

BYLAWS
of the
Idaho Clean Water Cooperative, Incorporated
DRAFT 09/18/00

ARTICLE I - NAME, PURPOSE

- A. The name of the organization shall be the Idaho Clean Water Cooperative, Incorporated.
- B. The Idaho Clean Water Cooperative (The Cooperative) is organized exclusively for charitable, scientific and educational purposes, consistent with requirements of IRS Chapter 3, Section 501(c)(3), by lessening the burdens of government within the State of Idaho. The primary activities of the corporation shall support the start-up of an effluent trading program, develop the essential tools of an administrative support system for trading, provide outreach to raise awareness of trading opportunities, and operate and administer the trading system. The Cooperative will enable trading to occur outside of government venues, in a locally controlled, market setting.

ARTICLE II - MEMBERSHIP

- A. Cooperative membership is open to anyone.
- B. All parties participating in the effluent trading program must be members of the Cooperative.

ARTICLE III - BOARD OF DIRECTORS

- A. **Size:** The Board of Directors, hereinafter referred to as the Board, shall be composed of 6 members: 2 point source interest group representatives, 2 nonpoint source interest group representatives, 1 environmental interest group representative and 1 public at large representative.
- B. **Duties:** The Board is responsible for overall policy and direction of the Cooperative, and delegating responsibility for day-to-day operations to the Cooperative Director and committees. As a general guide, and not by way of limitation, the Board shall have the following functions, duties, and responsibilities:
 - 1. Define the objectives and goals for the Cooperative.
 - 2. To prepare an annual budget and an annual plan of work.
 - 3. To appoint committees to assist in carrying out the purposes, functions, duties, and responsibilities of the Cooperative.
 - 1. To select and employ a Cooperative Director and such other persons as it may deem
 - 2. necessary for the successful prosecution of the purposes of the Cooperative.
 - 4. Undertake other activities and enter into agreements as necessary to carry out the purposes and functions of the Cooperative.
- C. **Compensation:** The Board receives no salary but shall be reimbursed for reasonable expenses.
- D. **Resignation, Termination and Absences.** Resignation from the Board must be in writing and received by the Secretary. A Board member shall be automatically removed from the Board if they have unexcused absences from more than two consecutive Board meetings. Board members may also be removed for cause by a unanimous vote of all other Board members at a special meeting called for that purpose.

- E. **Vacancies.** Vacancies in office due to death, resignation, removal, disqualification or otherwise, shall be filled for the unexpired term of office vacated as follows:
1. The vacancy shall be filled by a representative of an interest group representing the same general area of interest as the departing Board member. The Board may select a new Board member from a list of names submitted by the interest group represented by the vacating member. New members are elected by a majority vote of the remaining Board members at the Board meeting following the vacancy.
 2. A vacancy of the officers shall be filled by election by a majority vote of the Board.
- F. **Elections.** Election of new Board members or election of current Board members to a second term will occur as the first item of business at the annual meeting. Members will be elected by a majority vote of the current Board.
- G. **Terms.** Board members will serve 3 year terms with no member allowed to serve for more than two consecutive terms. Initial terms of the first board members will be either 2 or 3 years to establish a rotation as determined by the Board at its initial meeting.

ARTICLE IV - MEETINGS

- A. **Annual Board and Membership Meeting:** The Board will set the date, time, and location of the annual meeting, at which members will be invited to attend. At the annual meeting, the Board will give a report on the "State of the Idaho Clean Water Cooperative" to the Cooperative membership, elect new Board members, and adopt the budget and plan of work for the coming year. The meeting will be conducted by the Board's Chair.
- B. **Board Meetings:** The Board will meet at least semi-annually at an agreed upon time and place, and as necessary to carry out the business of the Cooperative. The Board Chair may call special meetings as necessary.
- C. **Public Participation:** Meetings of the Board shall be open to the public. The Board may, by 2/3 vote, move into Executive session to discuss any matter authorized pursuant to Idaho Code 67-2345(1). The Cooperative will not knowingly hold a meeting at a place where discrimination is practiced.
- D. **Notice:** Notice of meetings shall be provided to all members at least one week in advance of the meeting. Notice of Special meetings called by the Chair shall require at least 48 hours notice.
- E. **Quorum:** Except as otherwise provided for in the election of Board members and officers in these Bylaws, four members of the Board shall be considered a quorum for the transaction of business at meetings. The act of the majority of the members constituting the quorum shall be an act of the Board.
- F. **Conduct:** Unless otherwise agreed by attendees, Robert's Rules of Order shall govern on all matters of parliamentary procedure.
- G. **Minutes:** Minutes shall be taken at all meetings. All minutes shall be available to the public in a reasonable time period. All meeting minutes shall contain at least the following:

Names of Board members present
All motions proposed and their disposition
The results of all votes

ARTICLE V - OFFICERS

- A. The officers of the Cooperative shall be elected for two year terms of office by the Board. All Board members are eligible to serve as officers. Said officers shall take over their offices and responsibilities thereof at the end

of business of the annual meeting held in December, on odd numbered years. The officers and their duties shall be as follows:

1. **Chair:** The Chair shall preside at all meetings of the Cooperative and the Board, shall be entitled to debate and vote as a member of the Board on all matters, and shall perform such other duties as may be assigned to him/her by action of the Cooperative or Board. The Chair shall be limited to two consecutive two year terms of office.
2. **Vice-Chair:** In the event of the absence of the Chair, or his/her inability to act, the Vice-Chair shall act in his/her stead. The Vice-Chair shall have the responsibilities for setting up the annual meeting and any tours or special events. When special programs are desired at the meetings of the Cooperative or the Board, the Vice-Chair shall assist in scheduling such programs. The Vice-Chair shall be limited to two consecutive two year terms of office.
3. **Secretary/Treasurer:** The Secretary/Treasurer, or their delegee, shall (a) keep minutes of the proceedings of the Cooperative and Board in appropriate books provided for that purpose, (b) see that all notices are duly given as required by Law, regulation, or Bylaws of the Cooperative, (c) have general charge and custody of and be responsible for all funds of the corporation, (d) deposit all monies received, in the name of the corporation, in such banks or other depository as may be designated by the Cooperative, (e) keep current and complete books and records of account, and (f) perform such other duties incident to the office of Secretary/Treasurer, and such other duties as may be assigned by the Chair.
4. **Cooperative Director:** Under the authority of the Board, the Cooperative Director shall have daily supervision, direction and control of the business affairs and operation of the Cooperative in accordance with the Articles of Incorporation, the Bylaws, and the policies laid down by the Board.

ARTICLE VI - COMMITTEES

Ad hoc committees may be appointed by the Board at any time they are deemed necessary. All ad hoc committees will have a definite assignment and time frame for their existence. The ad hoc committees may be disbanded by the Board for any reason that is in the interests of the Cooperative.

ARTICLE VII - BUDGET AND SHARING OF COSTS

- A. The Cooperative shall adopt an annual budget based upon anticipated contributions, dues, fees, and expenses.
- B. The fiscal year for the Cooperative will be from January 1 to December 31 of each calendar year.
- C. All funds of the Cooperative shall be deposited in such bank or banks as the Board shall designate, and shall be withdrawn only upon check or order of two Board members.

ARTICLE VIII - CONTRIBUTIONS

The recommended dues and fees for each member of the Cooperative shall be set from time to time by the Board. In the event of withdrawal by a member from the Cooperative, said member shall be entitled to no return of any contributions or portion thereof, hereto paid.

ARTICLE IX - BUSINESS

- A. **Contracts:** The Board may authorize any officer, agent, or agents of the Cooperative to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Cooperative; and such authority may be general or confined to a specific instance.
- B. **Checks, Drafts, Etc.:** All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Cooperative shall be signed by such officer or officers, agent or agents of the Cooperative, and in such manner as shall from time to time be determined by resolution of the Board.

In the absence of such determination by resolution by the Board, such instruments shall be signed by two members of the Board.

- C. **Deposits:** All funds of the Cooperative shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the Board may select.
- D. **Gifts:** The Board may accept on behalf of the Cooperative any contribution, gift, bequest, devise, or grant for the general purposes or for any special purpose of the corporation.

ARTICLE X - STAFF

- A. The Board will be responsible for providing guidance for the Cooperative Director. Before any additional staff members are hired by the Cooperative, the Board will develop a personnel policy including job descriptions and standards of performance for each employee.
- B. Staff members will be under the technical supervision of the Cooperative Director and carry out the directives of the Board. Full and/or part time staff may be hired by the Cooperative.

ARTICLE XI - AMENDMENTS

These Bylaws may be amended at any meeting of the Board by a vote of the Board as set forth in Article IV, provided that the amendment has been submitted in writing to the Board at least 30 days prior to the meeting.

ARTICLE XII - DISSOLUTION

At such time as the Idaho Clean Water Cooperative may be dissolved, all funds will be dispersed in accordance with the Article of Incorporation.

ARTICLE XIII - TAX EXEMPT STATUS

Notwithstanding any other provisions of these bylaws, the Cooperative shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code of (or the corresponding provisions of any future United States Internal Revenue Law) or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Law).

ARTICLE XIV - INDEMNIFICATION

The Cooperative shall indemnify any present or former director, officer, employee, member or volunteer of this Cooperative, and each such person who is serving or has served, at the request of this Cooperative, as a director, officer, partner, trustee, employee or agency of another corporation, partnership, joint venture, trust, other enterprise, or employee benefit plan to the fullest extent possible against expenses, including attorney's fees, judgments, fines, settlements and reasonable expenses, actually incurred by such person relating to his/her conduct as a volunteer of the corporation or as a director, officer, partner, trustee, employee or agency of another corporation, partnership, joint venture, trust, other enterprise or employee benefit plan, except that the mandatory indemnification required by this sentence shall not apply (i) to breach of duty of loyalty to the Cooperative, or (ii) for acts of omissions not in good faith or which involve intentional misconduct or knowing violation of the law.

The undersigned Chair and Secretary/Treasurer of the Idaho Clean Water Cooperative hereby certify that the above Bylaws were duly adopted by the Cooperative.

Approved [date]

(s) Chair (s) Secretary/Treasurer

Date

Date